2003 IRS Software Developer's Conference Notes
Modernized e-file

Discussion:

New features of Modernized e-file
- Eliminate drains – no batch processing – transmission driven for faster response time
- Schemas have been written in the XML format for 103 forms/schedules for 1120/990 – waiting for feedback
- Opportunity to transmit returns over the internet (part of the Enterprise architecture
- Ability to receive attachments to the 1120 returns in PDF format
- Signature alternatives
- Redesigned Reject Codes – Software developer's had a problem with multiple meaning of reject codes
- Redesigned Help Desk – personnel will be able to view the return on a screen and actual see what was actual filed by the taxpayer

Implementation Schedule
- Assurance testing for software developers will begin November 3, 2003 – Enterprise architecture testing on track
- Release 1 in January 2004 will contain 53 forms and schedules and six forms and schedules for exempt organizations
- Release 2 in July 2004 will contain 43 forms and schedules (1120 only)
- Release 3 in January 2005 will contain Fed/State and Forms 990PF & 990T

The following publications will be issued in August 2003
 Publication 4164, *Modernized e-file Guide for Software Developers and Transmitters:*
Publication 4163, *Modernized e-file Handbook for Authorized e-file Providers for Forms 1120/1120S*: and,
 Publication 4162, *Modernized e-file Test Package for 1120/1120S*

- Scenarios for assurance testing for 1120 software developers will be issued August 30, 2003
- Ogden Help Desk will be available for questions or concerns
- No answer file in assurance testing – will come up with their own scenarios and will test these scenarios in November 2003

Business Rules

- IRS used the same reject codes for Forms 1040, 1065, 1041 and 94X over many years and some reject codes could have various meanings. Feedback from stakeholders requested consistency and standardization for all reject codes.

- IRS used a contractor to redesign and restate business rules for reject codes so they will be standard across all modernized e-file programs. As additional forms are moved to modernized e-file, reject codes will be standardized
- Business rules will contain all the categories for reject error codes

Changes to Reject Codes

- Reject codes have been restated – one condition with one specific message
- Reject code explanations no longer include sequence numbers - now stated in line numbers in simple English
- Reject codes have a revised number scheme
- Reject code explanations now include 12 error categories
- Reject code explanations include a severity of error – this error will cause an "alert" when the return is being processed
- Severity alert will cause IRS to complete an internal analysis – to see if we are asking for only the information that is needed from the taxpayer

Contacts
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